

How tech-driven partnership marketing can fill the (imminent) direct marketing void in SA

 By [Anton Grutzmacher](#)

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In South Africa, direct marketing has traditionally played a dominant role in the business ecosystem - creating significant value for businesses across sectors. Indeed, direct marketing through electronic channels has proven to be both affordable and highly effective for businesses needing to reach new and existing customers. However, with increasingly stringent data privacy legislation such as the Protection of Personal Information Act (PoPIA) coming into effect, the direct marketing models of many South African businesses will not meet the requirements of laws such as PoPIA - particularly in the realm of consumer consent (which needs to be specific, and clear). Much of the lead generation activity in the market currently relies on direct marketing to consumers that have never consented to being marketed to - and PoPIA will systematically disqualify these marketing practices.



Photo by Fernando Arcos from [Pexels](#).

Direct marketing is, however, such a large part of how many businesses acquire new customers cost-effectively that some might even consider paying the fines that the regulator will start dishing out. Yet these businesses also need to take into account the inevitable reputational damage and backlash that the media industry will trigger (as non-law-abiding businesses have already found in Europe under GDPR). The great news is that businesses now have an opportunity to leverage advances in technology (and specifically, secure and compliant data sharing platforms) to pursue new and highly beneficial partnership marketing opportunities in the South African market. Notably, partnership marketing can deliver the same scale and cost-benefit without alienating customers or incurring significant fines.



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While businesses are well aware that there is almost limitless consumer data sitting with retailers, telecoms providers, financial services providers, etc, the challenge has been finding ways to securely, legally, and affordably share this data. Moreover, many customers are eager to receive messages from service providers via approved communications channels.

Under existing partnership marketing models, many businesses already act like publishers (in some respects) by using platforms to communicate curated marketing messages from selected partners. However, these models have historically been limited in scale and reach because they require the legal (and secure) sharing of consumer data between businesses (and most businesses do not have the consent from their customers to share their personal information with other businesses to make this scalable and simple).

Until now, that is.

By harnessing new, secure data sharing technology, businesses can explore the growth opportunities in each other's databases without ever actually sharing sensitive personal information about their customers at all. Moreover, businesses can leverage shared insights to automatically target relevant audiences in their marketing partner's CRM solution. This will arguably create new value for many businesses and allow them to capitalise on their data assets – while also benefiting consumers with curated and personalised communications.



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Privacy-by-Design

While the concept of partnership marketing is not new, what is certainly new is the ability to keep your customers' private data from ever needing to be shared in the process - and thus enable new partnerships to be formed very quickly and to scale up at speed. In the technology sphere, we call this 'privacy-by-design', which means that sophisticated data sharing solutions have been built from the ground up with privacy (and security) being a central function. Naturally, this means that businesses can harness secure data sharing technology to eliminate PoPIA compliance risks when pursuing growth opportunities.

For savvy marketers, this can be nothing short of revolutionary, as secure data sharing technology opens up myriad opportunities. In essence, partnership marketing can now be evaluated and executed significantly faster to match the scale and exceed the accuracy and insights that have been available through direct marketing to date.

If businesses were wondering who – or what – was going to fill the impending void that will be left by non-compliant direct marketing practices, they now have their answer. The first movers will be richly rewarded.

ABOUT ANTON GRUTZMACHER

Anton has over 18 years' experience in guiding businesses to greater profitability using technology and data, and is passionate about working with partners to realise the innovative potential of their data. Omsient makes it much faster and very affordable to create data partnerships with other organisations or internal departments, while protecting customer privacy and information security.

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